

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of THE COMMONWEALTH OF PUERTO RICO <u>et al.</u> , Debtors. ¹	PROMESA Title III Case No. 17 BK 3283-LTS (Jointly Administered)
In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of PUERTO RICO ELECTRIC POWER AUTHORITY, Debtor.	PROMESA Title III Case No. 17 BK 4780-LTS

ORDER REGARDING PREPA LITIGATION
SCHEDULE AND RELIEF FROM THE PREPA LITIGATION STAY

The Court has received and reviewed the *PREPA Bondholders' Joint Motion for*

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the: (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (v) Puerto Rico Public Buildings Authority ("PBA", and together with the Commonwealth, HTA, ERS, and PREPA, the "Debtors") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations). On October 30, 2024, the Title III case for the Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) was closed.

Relief from the PREPA Litigation Stay (Docket Entry No. 28909 in Case No. 17-3283 and Docket Entry No. 5510 in Case No. 17-4780) (the “Litigation Stay Relief Motion”), the briefing in connection with the Litigation Stay Relief Motion, and the *Mediation Team’s Nineteenth Notice and Report* (Docket Entry No. 29038 in Case No. 17-3283 and Docket Entry No. 5558 in Case No. 17-4780). For substantially the reasons stated on the record at the omnibus hearing on March 19, 2025, the Court hereby orders the following:

1. The Litigation Stay Relief Motion is denied except as specifically provided herein. The stay of PREPA² plan confirmation and bond-related litigation (the “Litigation Stay”) in PREPA’s Title III Case is extended sine die except as specifically provided herein.
2. The Litigation Stay is hereby lifted to permit the Oversight Board to file an amended proposed plan of adjustment and amended proposed disclosure statement for PREPA. Those materials must be filed by **March 28, 2025**.
3. The Litigation Stay is hereby lifted to permit litigation concerning a motion for allowance of an administrative expense claim (the “Administrative Expense Motion”) as follows:
 - a. The Non-Settling Bondholders are directed to file their Administrative Expense Motion by **5:00 p.m. (Atlantic Standard Time) on April 7, 2025**.
 - b. The Oversight Board must file its objection to the Administrative Expense Motion by **5:00 p.m. (Atlantic Standard Time) on April 28, 2025**.
 - c. Joinders to the Oversight Board’s objection must be filed by **5:00 p.m. (Atlantic Standard Time) on May 2, 2025**.
 - d. The Non-Settling Bondholders’ reply in support of the Administrative Expense Motion must be filed by **5:00 p.m. (Atlantic Standard Time) on May 16, 2025**.
 - e. The parties’ briefing concerning the Administrative Expense Motion should set forth their positions on the facts supporting the Administrative Expense Motion, but the briefing should focus principally on the legal issues concerning the motion.
 - f. Following completion of briefing, the Court will take the Administrative Expense Motion under advisement and the parties are directed to meet and confer and file a joint status report by **5:00 p.m. (Atlantic Standard Time) on May 30, 2025**. The joint status report must provide a proposed discovery plan and order

² Capitalized terms used but not defined herein have the meaning given to them in the *Second Amended Response of the Financial Oversight Management Board for Puerto Rico to the PREPA Bondholders’ Joint Motion for Relief from the PREPA Litigation Stay* (Docket Entry No. 28993 in Case No. 17-3283 and Docket Entry No. 5537 in Case No. 17-4780).

approving such plan setting forth the timetable and deadlines for targeted limited discovery necessary for the resolution of the Administrative Expense Motion.

4. The Non-Settling Bondholders' request to file an amended motion for relief from the automatic stay under section 362(d) of the Bankruptcy Code is denied without prejudice to renewal following completion of discovery concerning the Administrative Expense Motion.
5. The Litigation Stay is hereby lifted to permit the Oversight Board to file a motion concerning the proper classification under the *Modified Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (Docket Entry No. 19784 in Case No. 17-3283) of the PREPA Bond Trustee's claim (the "Classification Motion").
 - a. The Oversight Board is directed to file the Classification Motion by **5:00 p.m. (Atlantic Standard Time)** on **April 7, 2025**.
 - b. Parties in interest supporting the Classification Motion must file non-duplicative supplemental briefs by **5:00 p.m. (Atlantic Standard Time)** on **April 11, 2025**.
 - c. The PREPA Bond Trustee and/or the Non-Settling Bondholders must file their objection to the Classification Motion by **5:00 p.m. (Atlantic Standard Time)** on **April 28, 2025**.
 - d. Joinders to the objection must be filed by **5:00 p.m. (Atlantic Standard Time)** on **May 2, 2025**.
 - e. Replies in support of the Classification Motion must be filed by **5:00 p.m. (Atlantic Standard Time)** on **May 16, 2025**.
 - f. The Court will thereafter take the Classification Motion on submission, unless it determines that a hearing is necessary.
6. In light of the Oversight Board's undertaking to file the Classification Motion and the schedule set forth herein for the prosecution of that motion, the *Motion of Claims Reconciliation Monitors for Entry of Order Modifying Litigation Stay in PREPA's Title III Case to Allow Commencement and Prosecution of Adversary Proceeding to Classify Proof of Claim Of PREPA Bond Trustee as Section 510(b) Subordinated Claim [Claim No. 50049]* (Docket Entry No. 28151 in Case No. 17-3283 and Docket Entry No. 5381 in Case No. 17-4780) is denied as moot.

7. This Order resolves Docket Entry Nos. 28151 and 28909 in Case No. 17-3283 and Docket Entry Nos. 5381 and 5510 in Case No. 17-4780.

SO ORDERED.

Dated: March 20, 2025

/s/ Laura Taylor Swain
LAURA TAYLOR SWAIN
United States District Judge